



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Office of the General Manager

April 26, 2010

Mr. Manucher Alemi, Ph.D., P.E.
Manager
Department of Water Resources - Office of Water Use and Efficiency
PO Box 942836
Sacramento, CA 94236-0001

Dear Mr. Alemi:

Comments on SBX7-7 Urban Stakeholder
Committee Draft Charter and Urban Technical Methodologies Draft Issue Papers

The Metropolitan Water District of Southern California (Metropolitan) appreciates the opportunity to comment on the draft charter for the SBX7-7 Urban Stakeholder Committee and the draft issue papers on SBX7-7 Urban Technical Methodologies. We support the Department of Water Resources' (Department) efforts to establish a formal public participation process that allows for technical and policy input from stakeholders and the public. We also support the Department's approach to developing technical methodologies, using the issue papers to establish a common understanding on the legislation and then framing the questions to be addressed. Metropolitan offers the following comments on the draft charter and issue papers; suggested word changes or additions are shown in *underlined italics*.

Urban Stakeholder Committee (USC) Draft Charter

Scope of USC: The description of Project U4 should clarify that the method should result in a reduction in *urban* per capita water use.

Roles and Responsibilities: In addition to the responsibilities listed, USC members should also coordinate with the CII Task Force and review CII work products to avoid conflicts. Facilitators should report USC comments on the process without attribution if requested, but all technical information should be considered public and attributed to a source. The role and responsibilities of the Agency Team should be included since the team is designated in the charter and will be providing input during the process.

Values and Principles: USC participants may have differing interpretations of SBX7-7. Therefore, participants should agree to accept the USC purpose, scope and role, *subject to their good faith interpretation of the law*.

Decision Making: The consensus process will be challenging, and stakeholders have expressed concern about how the Department will use consensus decisions in its final recommendations.

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The Department is responsible for implementing the law and may make decisions that are different than the recommendations of the USC. Therefore, Metropolitan suggests that the Department give high priority and primary consideration to proposals and recommendations for which there is consensus or significant agreement among USC members, but not be required by the charter to accept all consensus recommendations.

Urban Technical Methodologies Draft Issue Papers

Issue Paper 1 – Determining Gross Water Use:

- The overview should clarify that gross water use and population, within the base period, determines an agency's base daily per capita water use.
- The Department's understanding of the legislation needs to be clarified because the Department's current written definition mixes both included and excluded supplies of water. Gross water use should be the amount of water entering an agency's distribution system, excluding recycled water, water placed into long-term storage, water conveyed for use by another water supplier, and, at the supplier's discretion, water used for agricultural purposes.
- The issues to be considered should include more discussion on recycled water. For example, agencies will need direction on how to quantify the recycled water component of groundwater when recycled water is used for recharge, or in a reservoir when it is used for reservoir augmentation.

Issue Paper 2 – Determining Service Area Population:

- The Department's understanding of the legislation should clarify that service area population is based on residents including group quarter housing, but does not include workforce population or short-term transient population. This will more accurately reflect per capita water use within an agency and avoid creating a bias for areas that have substantial commercial sectors or experience significant changes over the next ten years. Any significant change in the ratio of workforce to resident population can and should be addressed through a compliance year adjustment or an appeals process.

Issue Paper 3 – Estimating Base Daily per Capita Water Use and Compliance per Capita Use:

- The Department's method for calculating base daily per capita use, as described under Staff Understanding, should be evaluated by the USC along with other approaches. There are multiple methods other than the one proposed by the Department that need evaluation. For example, base daily per capita water use can be determined by dividing the total water use for the baseline period by the sum of the population over the baseline period.

Issue Paper 4 – Method 2 Criteria and Methodologies:

- The overview should be corrected to state that agencies using Method 2 are required to calculate a numeric target for 2020 and an interim target for 2015, based on current service area land use or projected land use. Specifically, Water Code Section 10608.20(b)(2) defines the target as, "The per capita daily water use that is estimated using the sum of the following performance standards:" The intent of the legislation is to provide per capita targets that can be used to evaluate progress on achieving the statewide 20 percent reduction in urban per capita water use.

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- The overview should also clarify that indoor residential use and landscape area water use are defined as water use efficiency standards rather than GPCD standards as stated.

Issue Paper 5 – Method 2 Compliance Year Adjustments:

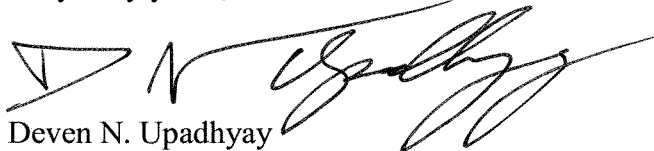
- The issues to be considered should include a discussion of weather normalization methodologies. In particular, the USC should evaluate the methodology being developed by the California Urban Water Conservation Council as this would provide consistency for water suppliers' calculations and reporting.

Metropolitan is continuing to work with legislative staff to address technical clean up issues for SBX7-7 in legislation. The two issues include extending the due date for wholesale urban water management plans to July 1, 2011, and updating the federal Executive Order number related to Department of Defense military installations, referenced in Water Code Section 10608.26(c), to reflect the new Executive Order of the Obama administration. Metropolitan believes that these changes will improve implementation of SBX7-7.

Metropolitan acknowledges the significant effort of the Department to develop the technical methodologies by October 2010 and Method 4 by December 2010, as required in SBX7-7. We appreciate the opportunity to serve on the Urban Stakeholder Committee and would like to offer our facilities for future meetings in Southern California.

Again, thank you for the opportunity to provide comments. If you have any questions, please feel free to contact Mr. Tim Blair of my staff at (213) 217-6613 or via email tblair@mwdh2o.com.

Very truly yours,



Deven N. Upadhyay
Manager, Water Resource Management

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